**UNITED STATES**
**SECURITIES AND EXCHANGE COMMISSION**
**Washington, D.C. 20549**

# FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the quarterly period ended March 31, 2015**

**OR**

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

**Commission file number: 001-06412**

## GOLDRICH MINING COMPANY

(Exact Name of Registrant as Specified in its Charter)

| | |
|---|---|
| **ALASKA** | **91-0742812** |
| (State of other jurisdiction of incorporation or organization) | (I.R.S. Employer Identification No.) |
| **2607 Southeast Blvd, Ste. B211**<br>**Spokane, Washington** | **99223-4942** |
| (Address of Principal Executive Offices) | (Zip Code) |

**(509) 535-7367**

(Registrant's Telephone Number, including Area Code)

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). ☒ Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer" "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act (Check one):

Large accelerated filer ☐ Accelerated filer ☐ Non-accelerated filer ☐ Smaller Reporting Company ☒

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act) ☐ Yes ☒ No

Number of shares of issuer's common stock outstanding at May 20, 2015: 131,082,809

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## PART I – FINANCIAL INFORMATION

### Item 1. Financial Statements

**Goldrich Mining Company**
**Consolidated Balance Sheets**

| | (Unaudited) March 31, 2015 | December 31, 2014 |
|---|---|---|
| **ASSETS** | | |
| Current assets: | | |
| Cash and cash equivalents | $ 91,954 | $ 206,025 |
| Gold Inventory | 2,433 | 71,021 |
| Prepaid expenses | 339,576 | 70,136 |
| Deferred financing costs | 24,309 | 28,161 |
| Other current assets | 56,731 | 56,731 |
| Total current assets | 515,003 | 432,074 |
| Property, plant, equipment, and mining claims: | | |
| Equipment, net of accumulated depreciation | 93,488 | 117,311 |
| Mining properties and claims | 582,166 | 582,166 |
| Total property, plant, equipment and mining claims | 675,654 | 699,477 |
| Investment in joint venture | 55,300 | 55,300 |
| **Total assets** | **$ 1,245,957** | **$ 1,186,851** |
| **LIABILITIES AND STOCKHOLDERS' DEFICIT** | | |
| Current liabilities: | | |
| Accounts payable and accrued liabilities | $ 339,409 | $ 272,947 |
| Related party payable | 85,046 | 73,659 |
| Remediation | 878,000 | 878,000 |
| Notes payable in gold, net | 576,696 | 576,696 |
| Dividend payable on preferred stock | 22,083 | 22,083 |
| Total current liabilities | 1,901,234 | 1,823,385 |
| Long-term liabilities: | | |
| Note payable, net of discount | 262,837 | 257,168 |
| Remediation and asset retirement obligation | 350,255 | 347,282 |
| Total long-term liabilities | 613,092 | 604,450 |
| **Total liabilities** | **2,514,326** | **2,427,835** |
| Stockholders' deficit: | | |
| Preferred stock; no par value, 8,999,800 shares authorized: shares authorized; no shares issued or outstanding | - | - |
| Convertible preferred stock series A; 5% cumulative dividends, no par value, 1,000,000 shares authorized; 175,000 shares issued and outstanding, $350,000 liquidation preferences | 175,000 | 175,000 |
| Convertible preferred stock series B; no par value, 300 shares authorized, 200 shares issued and outstanding, $200,000 liquidation preference | 57,758 | 57,758 |
| Common stock; $.10 par value, 250,000,000 shares authorized; 130,882,809 and 126,082,809 issued and outstanding, respectively | 13,088,281 | 12,608,281 |
| Additional paid-in capital | 13,139,338 | 13,380,145 |
| Deficit accumulated during the exploration stage | (27,728,746) | (27,462,168) |
| **Total stockholders' deficit** | **(1,268,369)** | **(1,240,984)** |
| **Total liabilities and stockholders' deficit** | **$ 1,245,957** | **$ 1,186,851** |

*The accompanying notes are an integral part of these consolidated financial statements.*

**Goldrich Mining Company**
**Consolidated Statements of Operations (Unaudited)**

| | Three Months Ended March 31, 2015 | Three Months Ended March 31, 2014 |
|---|---|---|
| Operating expenses: | | |
| Mine preparation and oversight costs | $ - | $ 20,172 |
| Exploration expense | 15,492 | 10,882 |
| Depreciation and amortization | 23,823 | 51,779 |
| Management fees and salaries | 65,188 | 68,969 |
| Professional services | 31,579 | 44,443 |
| Other general and admin expense | 56,185 | 67,119 |
| Office supplies and other expense | 2,177 | 3,359 |
| Directors' fees | 14,500 | 15,300 |
| Mineral property maintenance | 17,338 | 16,988 |
| Loss on sale of gold purchased | 8,476 | - |
| Total operating expenses | 234,758 | 299,011 |
| Other (income) expense: | | |
| Interest income | (2) | (12) |
| Interest expense and finance costs | 31,822 | 55,255 |
| Total other (income) expense | 31,820 | 55,243 |
| Net loss | $ 266,578 | $ 354,254 |
| Preferred dividends | 4,424 | 52,188 |
| Net loss available to common stockholders | $ 271,001 | $ 406,442 |
| Net loss per common share – basic and diluted | $ Nil | $ Nil |
| Weighted average common shares outstanding-basic and diluted | 127,537,062 | 95,656,719 |

*The accompanying notes are an integral part of these consolidated financial statements.*

**Goldrich Mining Company**
**Consolidated Statements of Cash Flows** (Unaudited)

| | Three Months Ended March 31, 2015 | 2014 |
|---|---|---|
| Cash flows from operating activities: | | |
| Net loss | $ (266,578) | $ (354,254) |
| Adjustments to reconcile net loss to net cash used in operating activities: | | |
| Depreciation and amortization | 23,823 | 51,779 |
| Loss on sale of gold purchased | 8,476 | - |
| Amortization of discount on note payable and notes payable in gold | 5,669 | 36,121 |
| Amortization of deferred financing costs | 3,852 | 10,344 |
| Accretion of asset retirement obligation | 2,973 | 2,858 |
| Change in: | | |
| Gold inventory | 60,112 | - |
| Prepaid expenses | (269,440) | (30,360) |
| Accounts payable and accrued liabilities | 66,462 | (81,129) |
| Related party deferred compensation | - | (55,000) |
| Related party payable | 11,387 | 31,346 |
| Net cash used - operating activities | (353,264) | (388,295) |
| Cash flows from financing activities: | | |
| Proceeds from issuance of common stock and warrants, net of offering costs | 239,193 | - |
| Proceeds from issuance of preferred stock and warrants | - | 200,000 |
| Proceeds on note payable and warrants | - | 285,000 |
| Financing costs of note payable | - | (54,511) |
| Net cash provided - financing activities | 239,193 | 430,489 |
| Net increase (decrease) in cash and cash equivalents | (114,071) | 42,194 |
| Cash and cash equivalents, beginning of period | 206,025 | 16,993 |
| **Cash and cash equivalents, end of period** | **$ 91,954** | **$ 59,187** |

*The accompanying notes are an integral part of these consolidated financial statements.*

## 1. BASIS OF PRESENTATION:

The unaudited financial statements have been prepared by the Company in accordance with accounting principles generally accepted in the United States of America for interim financial information, as well as the instructions to Form 10-Q. Accordingly, they do not include all of the information and footnotes required by accounting principles generally accepted in the United States of America for complete financial statements. In the opinion of the Company's management, all adjustments (consisting of only normal recurring accruals) considered necessary for a fair presentation of the interim financial statements have been included. Operating results for the three-month period ended March 31, 2015 are not necessarily indicative of the results that may be expected for the fiscal year ending December 31, 2015.

For further information refer to the financial statements and footnotes thereto in the Company's Annual Report on Form 10-K for the year ended December 31, 2014.

Going Concern

The accompanying consolidated financial statements have been prepared under the assumption that the Company will continue as a going concern. The Company has incurred losses since its inception and does not have sufficient cash to fund normal operations and meet debt obligations for the next 12 months without deferring payment on certain current liabilities and/or raising additional funds.

The Company currently has no historical recurring source of revenue and its ability to continue as a going concern is dependent on the Company's ability to raise capital to fund its future exploration and working capital requirements or its ability to profitably execute its business plan. The Company's plans for the long-term return to and continuation as a going concern include the profitable exploitation of its mining properties and financing the Company's future operations through sales of its common stock and/or debt.

Additionally, the current capital markets and general economic conditions in the United States are significant obstacles to raising the required funds. These factors raise substantial doubt about the Company's ability to continue as a going concern.

The consolidated financial statements do not include any adjustments that might be necessary should the Company be unable to continue as a going concern. If the going concern basis were not appropriate for these financial statements, adjustments would be necessary in the carrying value of assets and liabilities, the reported expenses and the balance sheet classifications used.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash and Cash Equivalents

For the purposes of the balance sheet and statement of cash flows, the Company considers all highly liquid investments with a maturity of three months or less when purchased to be a cash equivalent. Cash or cash equivalents which secure debt instruments, credit facilities, reclamation or environmental bonds, or that are otherwise limited or restricted in their usage, are reported separately and not included in cash and cash equivalents.

Consolidation of and Accounting for Subsidiaries

The consolidated financial statements include the accounts of the Company and the accounts of its 100% owned subsidiaries Minera LSG S.A. and Goldrich Placer, LLC. These subsidiaries are included in the accompanying financial statements by consolidation, with all intercompany balances and investment accounts eliminated.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED:

Accounting for Investments in Joint Ventures

For joint ventures in which the Company does not have joint control or significant influence, the cost method is used. Under the cost method, these investments are carried at the lower of cost or fair value. For those joint ventures in which there is joint control between the parties and in which the Company has significant influence, the equity method is utilized whereby the Company's share of the ventures' earnings and losses is included in the statement of operations as earnings in joint ventures and its investments therein are adjusted by a similar amount.

Goldrich has no significant influence over its joint venture described in Note 3 *Joint Venture*, and therefore accounts for its investment using the cost method.

For joint ventures where the Company holds more than 50% of the voting interest and has significant influence, the joint venture is consolidated with the presentation of a non-controlling interest. In determining whether significant influence exists, the Company considers its participation in policy-making decisions and its representation on the venture's management committee. Goldrich currently has no joint venture of this nature.

The Company periodically assesses its investments in joint ventures for impairment. If management determines that a decline in fair value is other than temporary it will write-down the investment and charge the impairment against operations.

Net Loss Per Share

Basic earnings per share ("EPS") is computed as net loss available to common shareholders after dividends to preferred shareholders, divided by the weighted average number of common shares outstanding for the period. Diluted EPS reflects the potential dilution that could occur from common shares issuable through stock options, warrants, and other convertible debt and securities. The dilutive effect of vested convertible and exercisable securities would be:

| **For periods ended March 31,** | **2015** | **2014** |
|---|---|---|
| Convertible preferred stock Series A | 1,050,000 | 1,050,000 |
| Convertible preferred stock Series B | 2,857,142 | 2,857,142 |
| Stock options | 3,350,000 | 3,165,000 |
| Warrants | 48,969,397 | 36,882,319 |
| **Total possible dilution** | **56,226,539** | **43,954,461** |

For the three-month periods ended March 31, 2015 and 2014, the effect of the Company's outstanding options and common stock equivalents would have been anti-dilutive. Accordingly, only basic EPS is presented.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Significant estimates used in preparing these financial statements include those assumed in estimating the recoverability of the cost of mining claims, accrued remediation costs, asset retirement obligations, stock based compensation, and deferred tax assets and related valuation allowances. Actual results could differ from those estimates.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED:

Recent Accounting Pronouncements

In August 2014, the FASB issued ASU No. 2014-15, "Presentation of Financial Statements – Going Concern". The provisions of ASU No. 2014-15 require management to assess an entity's ability to continue as a going concern by incorporating and expanding upon certain principles that are currently in U.S. auditing standards. Specifically, the amendments (1) provide a definition of the term substantial doubt, (2) require an evaluation every reporting period including interim periods, (3) provide principles for considering the mitigating effect of management's plans, (4) require certain disclosures when substantial doubt is alleviated as a result of consideration of management's plans, (5) require an express statement and other disclosures when substantial doubt is not alleviated, and (6) require an assessment for a period of one year after the date that the financial statements are issued (or available to be issued). The amendments in this ASU are effective for the annual period ending after December 15, 2016, and for annual periods and interim periods thereafter. The Company is currently assessing the impact of ASU No. 2014-15 on the Company's consolidated financial statements once adopted.

Other accounting standards that have been issued or proposed by FASB that do not require adoption until a future date are not expected to have a material impact on the consolidated financial statements upon adoption. The Company does not discuss recent pronouncements that are not anticipated to have an impact on or are unrelated to its financial condition, results of operations, cash flows or disclosures.

Reclassifications

Certain reclassifications have been made to conform prior period's data to the current presentation. These reclassifications have no effect on the results of reported operations or stockholders' equity.

Plant, Equipment, and Accumulated Depreciation

Plant and equipment are stated at cost, which is determined by cash paid or fair value of the shares of the Company's common stock issued. The Company's mill buildings and equipment are located on the Company's unpatented state mining claims located in the Chandalar mining district of Alaska. All mill buildings and equipment purchased prior to 2009 are fully depreciated. The Company's equipment is located at the Chandalar property in Alaska, with a small amount of office equipment located at Company offices in Spokane, Washington. Assets are depreciated on a straight-line basis. Improvements which significantly increase an asset's value or significantly extend its useful life are capitalized and depreciated over the asset's remaining useful life.

When a fixed asset is sold at a price either higher or lower than its carrying amount, or undepreciated cost at the date of disposal, the difference between the sale proceeds over the carrying amount is recognized as gain, while a loss is recognized when the carrying amount exceeds the sale proceeds. The gain or loss is recognized in the Consolidated Statement of Operations.

Mining Properties and Claims

The Company capitalizes costs for acquiring mineral properties and expenses costs to maintain mineral rights and leases as incurred. Should a property reach the production stage, these capitalized costs would be amortized using the units-of-production method on the basis of periodic estimates of ore reserves. Mineral properties are periodically assessed for impairment of value, and any subsequent losses are charged to operations at the time of impairment. If a property is abandoned or sold, its capitalized costs are charged to operations.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED:

Mine Preparation Costs

Mine preparation costs are expenditures incurred in the exploration stage that may ultimately benefit production are expensed due to the lack of proven and probable reserves, which would indicate future recovery of these expenses. These costs are expensed in the period in which they occur.

Exploration Costs

Exploration costs are expensed in the period in which they occur.

Income Taxes

Income taxes are recognized in accordance with Accounting Standards Codification ("ASC") 740 Income Taxes, whereby deferred income tax liabilities or assets at the end of each period are determined using the tax rate expected to be in effect when the taxes are actually paid or recovered. A valuation allowance is recognized on deferred tax assets when it is more likely than not that some or all of these deferred tax assets will not be realized. ASC 740 prescribes a recognition threshold and measurement attribute for the recognition and measurement of a tax position taken or expected to be taken in a tax return. The Company has assessed its tax positions and has determined that it has not taken a position that would give rise to an unrecognized tax liability being reported. In the event that the Company is assessed penalties and or interest; penalties will be charged to other operating expense and interest will be charged to interest expense.

Revenue Recognition

Revenue from the sale of gold is recorded net of smelter or refinery treatment and refining charges. Revenue is recognized when persuasive evidence of an arrangement exists, title and risk passes to the buyer, collection is reasonably assured and price is reasonably determinable. When alluvial gold is placed with the smelter, revenue is recognized and cash is remitted for any ounces of alluvial gold sold to the smelter, converted to ounces of fine gold at an assumed smelting loss percentage. Pricing of the sale is at the market price of gold on the date of sale. The number of gold ounces sold at deposit is limited to a certain percentage of the ounces of alluvial gold deposited, as agreed in each case with the smelter. Ounces not sold are smelted and retained in the Company's inventory in a secured metals account at the smelter. Subsequent sales of gold from inventory are made at then-current market prices, with smelter treatment and refining charges deducted, and net cash proceeds are remitted to the Company.

Stock-Based Compensation

The Company periodically issues common shares or options to purchase shares of the Company's common shares to its officers, directors or other parties. These issuances are recorded at fair value for both the common shares issued and options granted.

The Company uses a Black Scholes valuation model for determining fair value of options to purchase shares, and compensation expense is recognized ratably over the vesting periods on a straight line basis. Compensation expenses for grants that vest immediately are recognized in the period of grant.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED:

Remediation

The Company's operations have been, and are subject to, standards for mine reclamation that have been established by various governmental agencies. The Company records the fair value of an asset retirement obligation as a liability in the period in which the Company incurs a legal obligation for the retirement of tangible long-lived assets. A corresponding asset is also recorded and depreciated over the life of the long lived asset using a units of production method. After the initial measurement of the asset retirement obligation, the liability will be adjusted at the end of each reporting period to reflect changes in the estimated future cash flows underlying the obligation. Determination of any amounts recognized is based upon numerous estimates and assumptions, including future retirement costs, future inflation rates and the credit-adjusted risk-free interest rates. For non-operating properties, the Company accrues costs associated with environmental remediation obligations when it is probable that such costs will be incurred and they are reasonably estimable. Such costs are based on management's estimate of amounts expected to be incurred when the remediation work is performed.

Fair Values of Financial Instruments

The Company discloses the following information for each class of assets and liabilities that are measured at fair value:

1. The fair value measurement;

2. the level within the fair value hierarchy in which the fair value measurements in their entirety fall, segregating fair value measurements using quoted prices in active markets for identical assets or liabilities (Level 1), significant other observable inputs (Level 2), and significant unobservable inputs (Level 3);

3. for fair value measurements using significant unobservable inputs (Level 3), a reconciliation of the beginning and ending balances, separately presenting changes during the period attributable to the following:

    a. total gains or losses for the period (realized and unrealized), segregating those gains or losses included in earnings, and a description of where those gains or losses included in earnings are reported in the statement of operations;

    b. the amount of these gains or losses attributable to the change in unrealized gains or losses relating to those assets or liabilities still held at the reporting period date and a description of where those unrealized gains or losses are reported;

    c. purchases, sales, issuances, and settlements (net); and

    d. transfers into and/or out of Level 3

4. the amount of the total gains or losses for the period included in earnings that are attributable to the change in unrealized gains or losses relating to those assets and liabilities still held at the reporting date and a description of where those unrealized gains or losses are reported in the statement of operations; and

5. in annual periods only, the valuation technique(s) used to measure fair value and a discussion of changes in valuation techniques, if any, during the period.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED:

Fair Values of Financial Instruments, Continued

The table below sets forth the Company's financial assets that were accounted for at fair value on a recurring basis as of March 31, 2015 and December 31, 2014:

| | Balance March 31, 2015 | Balance December 31, 2014 | Input Hierarchy level |
|---|---|---|---|
| Cash and cash equivalents | $ 91,954 | $ 206,025 | Level 1 |

The carrying amounts of financial instruments including cash and cash equivalents, notes payable in gold, and notes payable approximate fair value at March 31, 2015 and 2014.

## 3. JOINT VENTURE

On May 7, 2012, the Company entered into a joint venture ("the JV") with NyacAU, LLC ("NyacAU"), an Alaskan private company, to bring Goldrich's Chandalar placer gold properties into production as defined in the joint venture agreement. In each case as used herein in reference to the JV, "production" is as defined by the JV agreement. As part of the agreement, Goldrich and NyacAU formed a 50:50 joint venture company, Goldrich NyacAU Placer LLC ("GNP"), to operate the Chandalar placer mines, with NyacAU acting as managing partner. Goldrich has no significant control or influence over the JV, and therefore accounts for its investment using the cost method, which totals $55,300 at March 31, 2015 and December 31, 2014.

Under the terms of the joint venture agreement (the "Agreement"), NyacAU provided funding to the JV. The loans are to be repaid from future production. According to the Agreement, on at least an annual basis, the JV shall allocate and distribute all revenue (whether in cash or as gold) generated from the JV's placer operation in the following order:

1. Current year operating expenses,
2. Members' distribution of 20% (10% to Goldrich and 10% to NyacAU) provided that, for so long as the loan (LOC2) to GNP from NyacAU for the purchase of a royalty is not paid in full, the JV shall retain 100% of Goldrich's distribution and apply against the loan,
3. After payment of operating expenses and the member's distribution of 20%, the JV will apply any remaining revenue to reduce the remaining balance of the loan from NyacAU to GNP for the development of the mine (LOC1),
4. Reserves for future operating expenses and capital needs, not to exceed $3,000,000 in any year, and
5. Member distributions of any remaining gold production on a 50:50 basis to each of the JV partners provided that, for so long as the loan LOC2 is not paid in full, the JV shall retain 100% of Goldrich's distribution and apply against the loan.

## 4. RELATED PARTY TRANSACTIONS

An amount of $4,969 was accrued for fees due to the Company's Chief Financial Officer ("CFO") at December 31, 2014. An amount of $10,406 has been accrued for fees at March 31, 2015. These amounts are included in related party payable.

A total of $46,775 had been accrued for consultants and directors' fees at December 31, 2014. For the three months ended March 31, 2015, an additional $27,865 has been accrued for services performed during the period, which is included in accounts payable. During the year ended December 31, 2014, a total of 1,650,000 common shares and 450,000 options to purchase common shares were issued to directors having a total fair value of $96,300, which brought the total consultants and directors' fees recognized for the year ended December 31, 2014 to $143,075.

## 5. NOTE PAYABLE

On January 24, 2014, the Company closed a three-year unsecured senior note financing for $300,000 with a private investment firm ("the lender"). Per the note agreement, the $300,000 is the first of six-staged loans for total aggregate amount of up to $2 million. The note bears interest at 15%, payable at the end of each quarter. Interest of $41,610 had been paid and expensed during the year ended December 31, 2014. During the three months ended March 31, 2015, interest of $11,250 has been paid and expensed.

Repayment of all amounts owed under the note is guaranteed by Goldrich Placer LLC, the Company's wholly owned subsidiary, which in turn owns a 50% interest in Goldrich NyacAU Placer LLC. See *Note 3 Joint Venture.* The note contains standard default provisions, including failure to pay interest and principal when due.

Under the terms of the note, the three-year maturity date is measured from the closing date of each loan in the series. The loans will be issued at a 5% discount and, for each loan of the series, the Company will issue 5.25 Class M warrants, exercisable at $0.15 per common share, for each dollar loaned under this agreement. The Company has, at its election, the ability to cancel future loans at any time or prepay the loans together with interest thereon without penalty. The lender reserves the right, at its election, to determine whether to fund Loans 2 through 6 in the series. The Company is required to pay finders fees consisting of a 3% cash commission to parties other than the lender. At the inception of the first note, the Company issued warrants to purchase shares of common stock of the Company equal in number to 8% of the number of dollars of the aggregated loan package (160,000 warrants through December 31, 2014). One percent point of the three percentage points of commissions paid on the 2014 and future cash proceeds were and will be paid to a director of the Company. Three percentage points of the eight percentage points of the warrants were paid to a director of the Company. The terms of the warrants issued to finders are the same as the warrants issued to the lender.

During the year ended December 31, 2014, the Company received the first staged loan of $300,000 less a discount of $15,000, for proceeds of $285,000. In total, the Company issued 1,735,000 Class M warrants, paid finder fees totaling $9,000 to a third party, and incurred other placement costs of $45,511, for a total of $54,511 of deferred finance costs.

The fair value of warrants issued with the notes payable was estimated at the date of issuance using the Black-Scholes fair value model, which requires the use of highly subjective assumptions, including the expected volatility of the stock price, which may be difficult to estimate for small reporting companies traded on micro-cap stock exchanges.

## 5. NOTE PAYABLE, CONTINUED:

The fair value of the warrants was estimated on the issue date at $41,795 using the following weighted average assumptions:

| | |
|---|---|
| Risk-free interest rate | 1.52% |
| Expected dividend yield | 0 |
| Expected term (in years) | 5 |
| Expected volatility | 157.1% |

The risk-free interest rate is based on the U.S. Treasury yield curve at the time of the grant. The expected term of warrants issued is from the date of issuance. The expected volatility is based on historical volatility. The Company has evaluated previous low occurrences of warrant forfeitures and believes that current holders of the warrants will hold them to maturity as has been experienced historically; therefore, no variable for forfeiture was used in the calculation of fair value. The Note payable is discounted by the fair value of the warrants, which is then amortized over the life of the note.

At March 31, 2015, the Company had outstanding a total note payable of $300,000 less remaining unamortized discounts of $37,163 for a net liability of $262,837. The lender elected to defer at least the second through the fifth tranches of the note advances pending the resolution and additional due diligence related to a lien that was placed on our claims in December 2013 by our joint venture partner, which was subsequently released during the quarter ended March 31, 2014. At March 31, 2015, the lender retains the right to lend the contracted amounts of the second through fifth tranches of the note.

## 6. NOTES PAYABLE IN GOLD

During 2013, the Company issued notes in principal amounts totaling $820,000, less a discount of $205,000, for proceeds of $615,000. Under the terms of the notes, the Company agreed to deliver gold to the holders at the lesser of $1,350 per ounce of fine gold or a 25% discount to market price as calculated on the contract date and specify delivery of gold in November 2014. The notes payable in gold contracts contain standard terms regarding delivery and receipt of gold and payment of delivery costs. The Company paid a finder’s fee of $42,000, and incurred other placement costs of $2,143, for a total of $44,143 of deferred finance costs.

Additionally, for each dollar of note payable in gold entered, the holder received one half of a common stock purchase warrant. A total of 307,500 warrants were issued. Each whole warrant is exercisable to purchase one share of common stock of the Company at an exercise price of $0.40 for a period of two years following the date of issue. A portion of the proceeds from the notes were allocated to the warrants, resulting in an increase in additional paid in capital and a discount on the notes payable in gold of $7,590.

The fair value of warrants issued with the notes payable in gold was estimated at the date of issuance using the Black-Scholes fair value model, which requires the use of highly subjective assumptions, including the expected volatility of the stock price, which may be difficult to estimate for small reporting companies traded on micro-cap stock exchanges.

At December 31, 2014 and March 31, 2015, the Company had outstanding total notes payable in gold of $576,696, representing 446.788 ounces of fine gold deliverable at November 30, 2015.

The Company is not required to purchase gold on the open market to meet delivery obligations. In the event that sufficient gold is not produced to meet future distribution requirements, the Company may be required to renegotiate the terms of the notes with the holders to avoid default. A renegotiation or default may require a change in future accounting treatment to that of derivative accounting as required by ASC 450.

## 7. STOCKHOLDERS' EQUITY

### Private Placement Offerings

*Unit Private Placements*

On March 31, 2015, the Company completed the first tranche of the private placement consisting of 4,800,000 units issued at a price of $0.05 per unit and resulted in net proceeds of $239,193. A second tranche of 200,000 units at the same price per unit for net proceeds of $10,000 was completed on April 7, 2015. Each unit consist of one share of our common stock and one full share Class O warrant. Each full Class O warrant is exercisable to purchase one additional common share of the Company at $0.06, for a period of five years following the date of issue.

**Preferred Shares:**

Series A Convertible Preferred Stock:

The Company has 175,000 shares of Series A Convertible Preferred Stock outstanding at March 31, 2015. These shares were issued from the designated 1,000,000 shares of Series A Preferred Stock, no par value, with the following rights and preferences:

- Liquidation Preference: Upon a liquidation event, an amount in cash equal to $2.00 per share (adjusted appropriately for stock splits, stock dividends and the like), for a total of $350,000 at March 31, 2015, together with declared but unpaid dividends to which the holders of outstanding shares of Series A Preferred Stock are entitled shall be paid prior to liquidation payments to holders of Company securities junior to the Series A Preferred Stock.

- Voting: Each holder of Series A Preferred Stock shall be entitled to vote on all matters upon which holders of common stock would be entitled to vote and shall be entitled to that number of votes equal to the number of whole shares of common stock into which such holder's shares of Series A Preferred Stock could be converted.

- Conversion: Any share of Series A Preferred Stock may, at the option of the holder, be converted at any time into six shares of common stock. The Company has the right, at its sole option, to convert all Series A Preferred Stock into common stock after the third anniversary of its issuance if the weighted average trading price of the common stock exceeds $1.00 per share for ten consecutive trading days. The Company also has the right, at its sole option, to convert all Series A Preferred Stock into common stock after the tenth anniversary from the date of issuance.

- Dividend Rate: The holders of Series A Preferred Stock shall be entitled to receive, when and as declared by the Board, yearly cumulative dividends from the surplus or net profits of the Company at an effective rate of 5% per annum, of the original Series A Preferred Stock purchase price of $1.00 per share. The Series A dividend shall accrue ratably from the date of issuance of the Series A Preferred Stock through the entire period in which shares of Series A Preferred Stock are held and shall be payable to the holder of the Series A Preferred Stock on the conversion date of the Series A Preferred Stock or as may be declared by the Board, with proper adjustment for any dividend period which is less than a full year.

- Preferential and Cumulative. The Series A dividends shall be payable before any dividends will be paid upon, or set apart for, the common stock of the Company and will be cumulative, so that any dividends not paid or set apart for payment for the Series A Preferred Stock, will be fully paid and set apart for payment, before any dividends will be paid upon, or set apart for, the common stock of the Company.

## 7. STOCKHOLDERS' EQUITY, CONTINUED:

- Payment of Dividend: If the Company shall have sufficient earnings to pay a dividend on the Series A Preferred Stock, upon declaration of any dividend by the Board in compliance with the Alaska Code and the Company's Articles of Incorporation and Bylaws, the holder of Series A Preferred Stock may elect to receive payment of Series A dividend on a dividend payment date in cash, or provisionally in gold. Payment of Series A dividends in gold shall be paid only if the Company is producing gold in sufficient quantities as of the dividend payment date to pay such in-kind dividend and shall be delivered in the form of gold produced from the Company's Chandalar property.

<u>Series B Convertible Preferred Stock:</u>

The Company has 200 shares of Series B Convertible Preferred Stock outstanding at March 31, 2015. These shares were issued from the designated 300 shares of Series B Preferred Stock, no par value, with the following rights and preferences:

- Liquidation Preference: Upon a liquidation event, an amount in cash equal to $1,000 per share (adjusted appropriately for stock splits, stock dividends and the like), for a total of $200,000 at March 31, 2015 shall be paid prior to liquidation payments to holders of Company securities junior to the Series B Preferred Stock. Holders of the Company's Series A Preferred Stock shall be paid in advance of holders of the Series B Preferred Stock on the occurrence of a Liquidation Event.

- Voting: Each holder of Series B Preferred Stock shall be entitled to vote on all matters upon which holders of common stock would be entitled to vote and shall be entitled to that number of votes equal to the number of whole shares of common stock into which such holder's shares of Series B Preferred Stock could be converted. Holders of Series B Preferred Stock vote as a single class with the common shares on an as-if-converted basis. No holder of Series B Preferred Stock is entitled to pre-emptive voting rights.

- Conversion: Shares of Series B Preferred Stock may, at the option of the holder, be converted at any time into a number of fully-paid and non-assessable shares of common stock as is equal to the product obtained by multiplying the Series B shares by $1,000, then dividing by the Series B conversion price of $0.07 per common share. The Series B conversion price is subject to adjustment in accordance with the provisions of the statement of designation.

- Dividend Rate: The holders of Series B Preferred Stock shall not be entitled to receive dividends.

## 7. STOCKHOLDERS' EQUITY, CONTINUED:

**Warrants:**

The following is a summary of warrants for March 31, 2015:

| | Shares | Exercise Price ($) | Expiration Date |
|---|---|---|---|
| **Class H Warrants: (Issued for Private Placement)** | | | |
| Outstanding and exercisable at January 1, 2014 | 5,125,936 | 0.30 | May 31, 2016 |
| Outstanding and exercisable at December 31, 2014 | 5,125,936 | | |
| Outstanding and exercisable at March 31, 2015 | 5,125,936 | | |
| **Class I Warrants: (Issued for Private Placement)** | | | |
| Outstanding and exercisable at January 1, 2014 | 13,906,413 | 0.40 | May 31, 2016 |
| Outstanding and exercisable at December 31, 2014 | 13,906,413 | | |
| Outstanding and exercisable at March 31, 2015 | 13,906,413 | | |
| **Class J Warrants: (Issued for Private Placement)** | | | |
| Outstanding and exercisable at January 1, 2014 | 8,780,478 | 0.30 | July 29, 2016 |
| Outstanding and exercisable at December 31, 2014 | 8,780,478 | | |
| Outstanding and exercisable at March 31, 2015 | 8,780,478 | | |
| **Class K Warrants: (Issued for Notes payable in gold)** | | | |
| Outstanding and exercisable at January 1, 2014 | 307,500 | 0.40 | March 29, 2015 |
| Outstanding and exercisable at December 31, 2014 | 307,500 | | |
| Warrants expired March 29, 2015 | (307,500) | | |
| Outstanding and exercisable at March 31, 2015 | - | | |
| **Class L Warrants: (Issued for Private Placement of Preferred Stock** | | | |
| Warrants issued January 23, 2014 | 2,857,142 | 0.10 | January 23, 2019 |
| Outstanding and exercisable at December 31, 2014 | 2,857,142 | | |
| Outstanding and exercisable at March 31, 2015 | 2,857,142 | | |
| **Class M Warrants: (Issued for Note Payable)** | | | |
| Warrants issued January 29, 2014 | 1,735,000 | 0.15 | January 29, 2019 |
| Outstanding and exercisable at December 31, 2014 | 1,735,000 | | |
| Outstanding and exercisable at March 31, 2015 | 1,735,000 | | |
| **Class N Warrants: (Issued for Private Placement)** | | | |
| Warrants issued June 6, 2014 | 7,104,317 | 0.11 | June 6, 2019 |
| Warrants issued June 30, 2014 | 4,350,180 | 0.11 | June 30, 2019 |
| Warrants issued July 18, 2014 | 2,408,545 | 0.11 | July 18, 2019 |
| Outstanding and exercisable at December 31, 2014 | 13,863,042 | | |
| Outstanding and exercisable at March 31, 2015 | 13,863,042 | | |
| **Class N-2 Warrants: (Issued for Finders Fees)** | | | |
| Warrants issued July 18, 2014 | 2,701,386 | .055 | July 18, 2019 |
| Outstanding and exercisable at December 31, 2014 | 2,701,386 | | |
| Outstanding and exercisable at March 31, 2015 | 2,701,386 | | |
| **Class O Warrants:** | | | |
| Warrants issued March 31, 2015 | 4,800,000 | .06 | March 31, 2020 |
| Outstanding and exercisable at March 31, 2015 | 4,800,000 | | |
| Weighted average exercise of warrants outstanding and weighted average exercise price at March 31, 2015 | 48,969,397 | 0.19 | |

## 7. STOCKHOLDERS' EQUITY, CONTINUED:

### Stock Options and Stock-Based Compensation:

Under the Company's 2008 Equity Incentive Plan, as amended by shareholder vote on November 27, 2013 (the "Plan"), options to purchase shares of common stock may be granted to key employees, contract management and directors of the Company. The Plan permits the granting of nonqualified stock options, incentive stock options and shares of common stock. Upon exercise of options, shares of common stock are issued from the Company's treasury stock or, if insufficient treasury shares are available, from authorized but unissued shares. Options are granted at a price equal to the closing price of the common stock on the date of grant. The stock options are generally exercisable immediately upon grant and for a period of 10 years. In the event of cessation of the holder's relationship with the Company, the holder's exercise period terminates 90 days following such cessation. The Plan authorizes the issuance of up to 9,550,672 shares of common stock, subject to adjustment for certain events, such as a stock split or other dilutive events. As of March 31, 2015, there were a total of 1,775,672 shares available for grant in the Plan, 4,275,000 shares issued or exercised, and 3,500,000 options outstanding.

For the periods ended March 31, 2015 and December 31, 2014, the fair value of stock options was estimated at the date of grant using the Black-Scholes option pricing model, which requires the use of highly subjective assumptions, including the expected volatility of the stock price, which may be difficult to estimate for small reporting companies traded on micro-cap stock exchanges. The fair value of each option grant was estimated on the grant date using the following weighted average assumptions:

| | 2015 | 2014 |
|---|---|---|
| Risk-free interest rate | -- | 2.17% |
| Expected dividend yield | -- | -- |
| Expected term (in years) | -- | 10 |
| Expected volatility | -- | 143% |

The risk-free interest rate is based on the U.S. Treasury yield curve at the time of the grant. The expected term of stock options granted is from the date of the grant. The expected volatility is based on historical volatility. The Company has evaluated previous low occurrences of option forfeitures and believes that current holders of the option will hold them to maturity as has been experience historically; therefore, no variable for forfeiture was used in the calculation of fair value.

During the year ended December 31, 2014, the Company issued 450,000 options to directors. The fair value of these options was determined using a Black Scholes model, resulting in a fair value of $22,050. The Company also issued 2,700,000 common shares to officers, directors, and employees. These shares were issued at the grant date market price of $0.045 per share, resulting in share based compensation expense of $121,025.

## 7. STOCKHOLDERS' EQUITY, CONTINUED:

A summary of stock option transactions for the period ended March 31, 2015 are as follows:

| | Shares | Weighted-Average Exercise Price (per share) | Weighted Average Remaining Contractual Term (Years) | Aggregate Intrinsic Value |
|---|---|---|---|---|
| Options outstanding at December 31, 2014 | 3,350,000 | $ 0.28 | 4.41 | $0 |
| Granted | - | - | | |
| Forfeited | - | - | | |
| Options outstanding and exercisable at March 31, 2015 | 3,350,000 | $ 0.24 | 4.83 | $0 |
| Options available for future grants | 1,925,672 | | | |

For the period ended March 31, 2015, the Company recognized total share-based compensation for employees and consulting directors of $nil.

## 9. REMEDIATION

In prior years, the Company accrued $50,000 for remediation of a historic mill site. In 2013, the Company accrued an additional $300,000 for the cost of remediation of a mine road and associated disturbance which must be completed by October 2015. In 2014, the Company received a quote from an independent third party to perform the remediation work and accrued an additional $578,000 to cover the anticipated costs of this remediation. The cost of this remediation is in addition to the long term asset retirement obligation calculated in previous years and is classified as a current liability. The accrual of $928,000 respectively at March 31, 2015 and December 31, 2014 is for anticipated costs to remediate a road and associated disturbance and contamination caused by activities of a previous operator next to an inactive mill site, neither of which was included in the Asset Retirement Obligation computation.

## 10. COMMITMENTS AND CONTINGENCIES

The Company has 426.5 acres of patented claims and 22,432 acres of non-patented claims. We are subject to annual claims rental fees in order to maintain our non-patented claims. In addition to the annual claims rental fees due November 30 of each year, we are also required to meet annual labor requirements due November 30 of each year. The Company is able to carry forward costs for annual labor that exceed the required yearly totals for four years. Following are the annual claims and labor requirements for 2015 and 2016.

| | November 30, 2015 | November 30, 2016 |
|---|---|---|
| Claims Rental | $ 83,570 | $ 84,770 |
| Annual Labor | 61,100 | 61,100 |
| Yearly Totals | $ 144,670 | $ 145,870 |

The Company has a carryover to 2015 of approximately $17.1 million to satisfy its annual labor requirements. This carryover expires in the years 2015 through 2020 if unneeded to satisfy requirements in those years.

## Item 2. Management's Discussion and Analysis of Financial Condition or Plan of Operation

As used in herein, the terms "Goldrich," the "Company," "we," "us," and "our" refer to Goldrich Mining Company.

*This discussion and analysis contains forward-looking statements that involve known or unknown risks, uncertainties and other factors that may cause the actual results, performance, or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Except for historical information, the matters set forth herein, which are forward-looking statements, involve certain risks and uncertainties that could cause actual results to differ. Potential risks and uncertainties include, but are not limited to, unexpected changes in business and economic conditions; significant increases or decreases in gold prices; changes in interest and currency exchange rates; unanticipated grade changes; metallurgy, processing, access, availability of materials, equipment, supplies and water; results of current and future exploration and production activities; local and community impacts and issues; timing of receipt and maintenance of government approvals; accidents and labor disputes; environmental costs and risks; competitive factors, including competition for property acquisitions; and availability of external financing at reasonable rates or at all, and those set forth under the heading "Risk Factors" in our Form 10-K filed with the United States Securities and Exchange Commission (the "SEC") on April 15, 2013. Forward- looking statements can be identified by terminology such as "may," "will," "should," "expects," "intends," "plans," "anticipates," "believes," "estimates," "predicts," "potential," "continues" or the negative of these terms or other comparable terminology. Although the Company believes that the expectations reflected in the forward-looking statements are reasonable, it cannot guarantee future results, levels of activity, performance or achievements. Forward-looking statements are made based on management's beliefs, estimates, and opinions on the date the statements are made, and the Company undertakes no obligation to update such forward-looking statements if these beliefs, estimates, and opinions should change, except as required by law.*

*This discussion and analysis should be read in conjunction with the accompanying unaudited consolidated financial statements and related notes. The discussion and analysis of the financial condition and results of operations are based upon the unaudited consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States of America. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Company to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of any contingent liabilities at the financial statement date and reported amounts of revenue and expenses during the reporting period. On an on-going basis the Company reviews its estimates and assumptions. The estimates were based on historical experience and other assumptions that the Company believes to be reasonable under the circumstances. Actual results are likely to differ from those estimates under different assumptions or conditions, but the Company does not believe such differences will materially affect our consolidated financial position or results of operations. Critical accounting policies, the policies the Company believes are most important to the presentation of its consolidated financial statements and require the most difficult, subjective and complex judgments are outlined below in "Critical Accounting Policies" and have not changed significantly.*

### General

#### *Overview*

Our Chandalar, Alaska gold mining property has seen over a hundred years of intermittent mining exploration and extraction history. There has been small extraction of gold from several alluvial, or placer gold streams, and from an array of small quartz veins that dot the property. However, only in very recent times is the primary source of the gold becoming evident. As a result of our exploration we have discovered gold in prolific micro-fractures within schist in many places and have petrographic and geochemical evidence linking these and larger vein-hosted gold occurrences to an intrusive source. We are currently defining drilling targets for a hard-rock (lode) gold deposit in an area of interest approximately 1,800 feet wide and over five miles long, possibly underlain by a granitic, mineralized intrusion. Exploration therefore has taken on two directions; one toward defining a low-grade, large tonnage body of mineralization running beneath the headwaters of Little Squaw Creek, the other a deeper, larger mineralized body from which mineralizing fluids have migrated through Chandalar country rock. Our main focus continues to be the exploration of these hard-rock targets; however, weak financial markets prevented us from obtaining funds for any significant exploration in 2012 and 2013. It appears financial markets may be improving and we were successful in raising funds for a limited exploration program in 2014.

Because of the weak financial markets suffered by the mining industry in recent years, we endeavored to develop our placer properties as a source of internal cash to protect us from future market fluctuations and to provide funds for future exploration. In 2012, Goldrich and NyacAU LLC ("NyacAU") formed Goldrich NyacAU Placer LLC ("GNP"), a 50/50 joint-venture company, managed by NyacAU, to mine Goldrich's various placer properties at Chandalar.

Through 2014, approximately $18 million has been invested by GNP to develop the mine with an additional $5 million budgeted for 2015. The total mine preparation expenditures to complete the mine are comparable to total costs, adjusted for inflation, as estimated in our 2009 preliminary assessment study for a similar mine plane. Plant and mine construction for the first stage of extraction are scheduled for completion in June 2015. All costs up to commercial extraction (as defined in the joint venture agreement) are required to be funded by NyacAU and will be paid back from cash flow from gold extraction (as defined in the joint venture agreement).

Goldrich has completed approximately 15,000 feet of drilling to date on the upper half of the Little Squaw Creek placer project and outlined 10.5 million cubic yards of mineralized material, at an average head grade of 0.025 ounces of gold per cubic yard for an estimated total of approximately 250,000 contained ounces. The mineralized material at Chandalar is not a mineral reserve as defined in SEC Industry Guide 7. Based on a targeted extraction rate of 20,000 ounces of gold per year and the mineralized material drilled out to date, the Little Squaw Creek mine would have a mine life of approximately 12 years. Little Squaw Creek is one of seven potential placer targets on the Chandalar property and is open to expansion. Mining operations at the Chandalar mine utilize conventional gravity technologies for gold recovery. All plants will employ a recirculating water system to minimize water usage and protect the environment.

**Chandalar Mine**

A new mining permit obtained in 2013 expanded the mine site area, including the area for a new airstrip, from approximately 10 to 350 acres. This provided an increased area for stockpiling topsoil, a larger settling pond system with greater capacity to ensure water quality and availability, and room to allow concurrent mine reclamation as the project advances. The new site will facilitate maximum and efficient extraction under the expanded mine plan.

Major accomplishments during 2014 included completion of the plant relocation to a lower and broader part of the valley, construction of new water ponds, and build out of the new expanded plant. GNP successfully mobilized and installed a new grizzly feeder on site as well as support frames for additional gravel screens and gold recovery tables, which will be mounted next spring. Full capacity of the feeder is expected to be approximately 600 bank cubic yards per hour and will be realized as additional gravel screens and gold recovery tables are added in stages through 2016. Because of the substantial increase in plant capacity, GNP will transport seven additional forty-ton rock trucks over the winter trail to the mine site, bringing the fleet total to thirteen trucks in all. The winter trail for 2015 began in February and was completed in April.

**Joint Venture 2015 Mining Season, Estimates and Operations:**

GNP recommenced removing overburden in March 2015, and transported seven additional forty-ton rock trucks to the mine, increasing the fleet total to thirteen in all. Opening of an initial pit and 1,800 foot haul road has already been completed. Mining of pay gravel is anticipated to start in May and initial gold processing is planned for late June. Subject to weather, the plant is expected to run through mid-September.

*GNP Financial Projections:*

On March 18, 2015, we provided shareholders with extraction forecasts, as provided by our joint venture partner NyacAU, which is also the joint venture's manager, for the upcoming five mining seasons at Little Squaw Creek mine. The 5-year summary of gold extraction, financial projections and price sensitivity provided by NyacAU are as follows:

| | **2015** | **2016** | **2017** | **2018** | **2019** |
|---|---|---|---|---|---|
| **Revenue** | | | | | |
| Gold Extraction (troy oz) | 16,500 | 23,100 | 30,200 | 32,000 | 32,000 |
| Gold Price (avg. price/oz) | $1,200 | $1,200 | $1,200 | $1,200 | $1,200 |
| Total Revenue | $19,800,000 | $27,720,000 | $36,240,000 | $38,400,000 | $38,400,000 |
| **Extraction Costs** | | | | | |
| Cost per/oz. | $713 | $623 | $489 | $451 | $450 |
| Total Cost of Sales | $11,778,000 | $14,398,000 | $14,780,000 | $14,441,000 | $14,400,000 |
| **Pre-Tax Net Profit** | $8,022,000 | $13,322,000 | $21,460,000 | $23,959,000 | $24,000,000 |

*Gold Price Sensitivity Analysis on GNP Operations:*

| **Gold Price/ oz** | **2015** | **2016** | **2017** | **2018** |
|---|---|---|---|---|
| $1,100 | $6,370,000 | $11,011,000 | $18,437,000 | $20,759,000 |
| $1,200 | $8,022,000 | $13,322,000 | $21,460,000 | $23,959,000 |
| $1,300 | $9,674,000 | $15,634,000 | $24,483,000 | $27,160,000 |
| $1,400 | $11,327,000 | $17,945,000 | $27,506,000 | $30,361,000 |
| $1,500 | $12,979,000 | $20,257,000 | $30,528,000 | $33,561,000 |

Goldrich has not completed an independent study to confirm the information provided by NyacAU. While management believes it has a reasonable scientific basis for these projections based on past extraction activities at the property and anticipated volumes and average grades, these projections are not based on a feasibility level study of the alluvial gold extraction mining and are subject to certain risks, including those set forth under "Item 1A. Risk Factors".

## Liquidity and Capital Resources

We are an exploration stage company and have incurred losses since our inception. We currently do not have sufficient cash to support the Company through 2015 and beyond. We anticipate that we will incur approximately $650,000 for general operating expenses over the next 12 months as of March 31, 2015. In addition to these general operating expenses, we will incur approximately $878,000 of reclamation costs to reclaim a dump road and tailings during 2015. We will need to raise approximately $1.5 million to $1.7 million in the next 12 months to completely fund our planned exploration expenditures, reclamation costs and general working capital requirements. The Company plans to raise the financing through a combination of debt and/or equity placements, sale of mining property interests, and revenue from the joint venture placer operation. Failure to raise needed financing could result in us having to scale back or discontinue exploration activities or some or all of our business operations. Under the joint venture operating agreement, revenue is allocated in accordance with the 5-point schedule outlined in the section *Joint Venture Agreement* above. In addition, if the minimum production requirement as defined by the operating agreement is not met for years beginning in 2018 and each year thereafter, the joint venture shall be dissolved unless agreed in writing by the members.

During 2013, we issued notes payable in gold totaling $820,000, less a discount of $205,000, for proceeds of $615,000. On October 22, 2014, the Company delivered 12.405 oz. to one gold note holder and renegotiated terms with the other holders. For more information *see Notes Payable in Gold* below.

During the year 2014, Goldrich completed financings totaling approximately $1.9 million consisting of an equity financing for $200,000 in January 2014, a three-year loan of $300,000 in January 2014, and other equity financings in June and July totaling approximately $1.4 million.

If we are unable to timely satisfy our obligations under the notes payable in gold due November 2015, the interest on the unsecured senior note due quarterly, or the principal of the unsecured senior note due in 2017 and we are not able to re-negotiate the terms of such agreements, the holders will have rights against us, including potentially seizing or selling our assets. The notes payable in gold are secured against our right to future distributions of gold extracted by our joint venture with NyacAU. At March 31, 2015, we had outstanding total notes payable in gold of $576,696, representing 446.788 ounces of fine gold deliverable at November 30, 2015.

Although the current capital markets and general economic conditions in the United States may be obstacles to raising the required financing, we believe we will be able to secure sufficient financing for further operations and exploration activities of our Company but we cannot give assurance we will be successful in attracting financing on terms acceptable to us, if at all. Additionally, as the placer mine nears completion, we look forward to internal cash flow and additional options for financing appear to be coming available. To increase its access to financial markets, Goldrich intends to also seek a listing of its shares on a recognized stock exchange in Canada in addition to its listing on the OTCQB in the United States.

The audit opinion and notes that accompany our consolidated financial statements for the year ended December 31, 2014, disclose a 'going concern' qualification to our ability to continue in business. The accompanying consolidated financial statements have been prepared under the assumption that we will continue as a going concern. We are an exploration stage company and we have incurred losses since our inception. We do not have sufficient cash to fund normal operations and meet debt obligations for the next 12 months without deferring payment on certain current liabilities and raising additional funds. We believe that the going concern condition cannot be removed with confidence until the Company has entered into a business climate where funding of its activities is more assured.

We currently have no historical recurring source of revenue and our ability to continue as a going concern is dependent on our ability to raise capital to fund our future exploration and working capital requirements or our ability to profitably execute our business plan. Our plans for the long-term return to and continuation as a going concern include financing our future operations through sales of our common stock and/or debt and the eventual profitable exploitation of its mining properties. Additionally, the current capital markets and general economic conditions in the United States are significant obstacles to raising the required funds. These factors raise substantial doubt about our ability to continue as a going concern.

On October 10, 2013, we reported GNP had extracted approximately 680 ounces of gold during the construction of the mine before closing out the 2013 season. Sale of the gold provided $918,000 in revenue to GNP. No extraction occurred in 2014 as construction of the mine was completed with extraction planned to resume in June 2015. A successful mining operation may provide the long-term financial strength for the Company to remove the going concern condition in future years. For more information see *Joint Venture Agreement* above.

The consolidated financial statements do not include any adjustments that might be necessary should the Company be unable to continue as a going concern. If the going concern basis were not appropriate for these financial statements, adjustments would be necessary in the carrying value of assets and liabilities, the reported expenses and the balance sheet classifications used.

## Results of Operations

On March 31, 2015 we had total liabilities of $2,514,326 and total assets of $1,245,957. This compares to total liabilities of $2,427,835 and total assets of $1,186,851 on December 31, 2014. As of March 31, 2015, our liabilities consist of $1,228,255 for remediation and asset retirement obligations, $576,696 of notes payable in gold, $262,837 of notes payable, $339,409 of trade payables and accrued liabilities, $85,046 due to related parties, and $22,083 for dividends payable. Of these liabilities, $1,901,234 is due within 12 months. The increase in liabilities compared to December 31, 2014 is largely due to an increase in trade and related party payables. The increase in total assets was due to increase in funds received from financing during the quarter ended March 31, 2015, which was largely used as a prepaid deposit toward the remediation activities to be performed during the summer of 2015..

On March 31, 2015 we had negative working capital of $1,386,231 and a stockholders' deficit of $1,268,369 compared to negative working capital of $1,391,311 and stockholders' deficit of $1,240,984 for the year ended December 31, 2014. Working capital held steady because capital raised during the period approximated our operating costs and debt payments for the period end March 31, 2015. Stockholders' equity decreased marginally due to an operating loss that exceeded revenues generated by the sale of common stock for the period ended March 31, 2015.

During the three months ended March 31, 2015, we used cash from operating activities of $353,264 compared to $388,295 for 2014. Net losses held generally steady year over year due to decreases in depreciation of equipment sold in prior years, reduced mine preparation and oversight costs, and reduced legal fees as a result of decreased activity in legal action and deferred efforts to qualify for listing on a Canadian exchange. Net operating losses of $266,578 and $354,254 for the three months ended March 31, 2015 and 2014, respectively, included significant non-cash expenses, including depreciation of $23,823 and $51,779 for the respective quarters.

During the three months ended March 31, 2015, and 2014 respectively, we used no cash in investing activities.

During the three months ended March 31, 2015, cash of $239,193 was provided by financing activities, compared to cash of $430,489 provided during the same period of 2014. For the three months ended March 31, 2015, cash of $239,193 was provided through the sale of stock and warrants, net of offering costs.

## Private Placement Offerings

### *Unit Private Placement*

On March 31, 2015, we completed the first tranche of the private placement consisting of 4,800,000 units issued at a price of $0.05 per unit and resulted in net proceeds of $239,193. A second tranche of 200,000 units at the same price per unit for net proceeds of $10,000 was completed on April 7, 2015. Each unit consist of one share of our common stock and one full share Class O warrant. Each full Class O warrant is exercisable to purchase one additional common share of the Company at $0.06, for a period of five years following the date of issue.

## Notes Payable

During the year ended December 31, 2014, we received the first staged loan of $300,000 less a discount of $15,000, for proceeds of $285,000. We issued 1,735,000 Class M warrants, paid finder fees totaling $9,000, and incurred other placement costs of $45,511, for a total of $54,511 of deferred finance costs.

The fair value of warrants issued with the notes payable in gold was estimated at the date of issuance using the Black-Scholes fair value model, which requires the use of highly subjective assumptions, including the expected volatility of the stock price, which may be difficult to estimate for small reporting companies traded on micro-cap stock exchanges.

The fair value of the warrants was estimated on the issue date using the following weighted average assumptions:

| | |
|---|---|
| Risk-free interest rate | 1.52% |
| Expected dividend yield | 0 |
| Expected term (in years) | 5 |
| Expected volatility | 157.1% |

The risk-free interest rate is based on the U.S. Treasury yield curve at the time of the grant. The expected term of warrants issued is from the date of issuance. The expected volatility is based on historical volatility. The Company has evaluated previous low occurrences of warrant forfeitures and believes that current holders of the warrants will hold them to maturity as has been experienced historically; therefore, no variable for forfeiture was used in the calculation of fair value. Each stage of the Note payable is discounted by the fair value of the warrants, which is then amortized over the life of the note.

At March 31, 2015, we had outstanding total notes payable of $300,000 less remaining unamortized discounts of $37,163 for a net liability of $262,837. The lender elected to defer at least the second through the fifth tranches of the note advances pending the resolution and additional due diligence related to a lien that was placed on our claims in December by our joint venture partner, which was subsequently released during the quarter ended March 31, 2014. At March 31, 2015, the lender retains the right to lend the contracted amounts of the second through fifth tranches of the note.

***Notes Payable in Gold***

On April 3, 2013, we entered into notes payable in gold totaling approximately $600,000, with gold ounces calculated at a 25% discount to market price on the date of sale. A total of approximately 500 ounces of gold was contracted for delivery to note holders in November 2014. A finder's fee of 7% of the proceeds was paid to independent parties. For each dollar loaned under these notes payable in gold, the holder also received one half of a common stock purchase warrant. Each whole warrant is exercisable to purchase one share of our common stock at an exercise price of $0.40 for a period of two years following the date of issue. In the event that our shares of common stock trade in the United States at a closing price of greater than $1.00 per share for a period of 10 consecutive trading days at any time following the issuance of the warrants, we have the right to force exercise of the warrants. Proceeds from the forward gold sales will be used primarily for general corporate purposes.

On October 22, 2014, we delivered 12.405 ounces of fine gold to one note holder and renegotiated terms with the other holders. This gold was purchased and delivered outside the original contract, which required delivery of produced gold, to settle the default condition with this note holder. We paid $1,244.74 per ounce on the date of delivery. A default condition arising from the non-delivery of the gold in 2014 was alleviated by agreements with the other three note holders to extend the delivery date of gold to November 30, 2015, with the following terms:

Ten percent (10%) (rounded up to the nearest ounce of gold) of the required quantity of gold due on the delivery date of November 30, 2014 was delivered as required pursuant to the contract. In lieu of gold, we could elect to satisfy the delivery of the deliverable required quantity by paying, an amount equal to the deliverable required quantity times the greater of the original purchase price or the index price for the day preceding the date of payment. We agreed to pay interest on the value of the delayed delivery required quantity at an annual percentage rate of 8% payable quarterly with any remaining interest due and payable on the delivery date. Interest is non-compounding, provided however, that any interest not paid in full by any required interest payment date, is added to the principal amount of the value of the delayed delivery required quantity and is subject to interest until such late interest payment is made in full. If the delivery date index price on November 30, 2015 is less than the original purchase price, an additional adjusted required amount, equal to the delayed delivery required quantity multiplied by a ratio, consisting of the original purchase price as the numerator and the greater of \$1,100 or the delivery date index price on November 30, 2015 as the denominator, less the delayed delivery required quantity, shall be delivered by December 31, 2015.

At December 31, 2014 and March 31, 2015, we had outstanding total notes payable in gold of \$576,696, representing 446.788 ounces of fine gold deliverable at November 30, 2015.

**Subsequent Events**

We have no subsequent events.

**Off-Balance Sheet Arrangements**

We have no off-balance sheet arrangements.

**Inflation**

We do not believe that inflation has had a significant impact on our consolidated results of operations or financial condition.

**Contractual Obligations**

See Subsequent Events above.

**Critical Accounting Policies**

We have identified our critical accounting policies, the application of which may materially affect the financial statements, either because of the significance of the financials statement item to which they relate, or because they require management's judgment in making estimates and assumptions in measuring, at a specific point in time, events which will be settled in the future. The critical accounting policies, judgments and estimates which management believes have the most significant effect on the financial statements are set forth below:

- Estimates of the recoverability of the carrying value of our mining and mineral property assets. We use publicly available pricing or valuation estimates of comparable property and equipment to assess the carrying value of our mining and mineral property assets. However, if future results vary materially from the assumptions and estimates used by us, we may be required to recognize an impairment in the assets' carrying value.

- Expenses and disclosures associated with accounting for stock-based compensation. We used the Black-Scholes option pricing model to estimate the fair market value of stock options issued under our stock-based compensation plan, which determines the recognition of associated compensation expense. This valuation model requires the use of judgment in applying assumptions of risk-free interest rate, stock price volatility and the expected life of the options. While we believe we have applied appropriate judgment in the assumptions and estimates, variations in judgment in applying assumptions and estimates used in this valuation could have a material effect upon the reported operating results.

- Estimates of our environmental liabilities. Our potential obligations in environmental remediation, asset retirement obligations or reclamation activities are considered critical due to the assumptions and estimates inherent in accruals of such liabilities, including uncertainties relating to specific reclamation and remediation methods and costs, the application and changing of environmental laws, regulations and interpretations by regulatory authorities.

- Accounting for Investments in Joint Ventures. For joint ventures in which we do not have joint control or significant influence, the cost method is used. Under the cost method, these investments are carried at the lower of cost or fair value. For those joint ventures in which there is joint control between the parties and in which we have significant influence, the equity method is utilized whereby our share of the ventures' earnings and losses is included in the statement of operations as earnings in joint ventures and our investments therein are adjusted by a similar amount. We have no significant influence over our joint venture described in Note 5 *Joint Ventures* to the financial statements, and therefore account for our investment using the cost method. For joint ventures where we hold more than 50% of the voting interest and has significant influence, the joint venture is consolidated with the presentation of a non-controlling interest. In determining whether significant influence exists, we consider our participation in policy-making decisions and our representation on the venture's management committee. We currently have no joint venture of this nature.

**Item 3. Quantitative and Qualitative Disclosures about Market Risk**

Not applicable.

**Item 4. Controls and Procedures**

**Evaluation of Disclosure Controls and Procedures**

At the end of the period covered by this Quarterly Report on Form 10-Q, an evaluation was carried out under the supervision of, and with the participation of, our management, including the Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rule 13a – 15(e) and Rule 15d – 15(e) of the Securities and Exchange Act of 1934, as amended (the "Exchange Act")). Based on that evaluation, the Chief Executive Officer and Chief Financial Officer have concluded that as of the end of the period covered by this Quarterly Report on Form 10-Q, our disclosure controls and procedures were effective, and that information required to be disclosed by the Company in its reports that it files or submits to the SEC under the Exchange Act, is recorded, processed, summarized and reported within the time period specified in applicable rules and forms.

Our Chief Executive Officer and Chief Financial Officer have also determined that the disclosure controls and procedures are effective, and that material information required to be disclosed in our reports filed under the Exchange Act is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, to allow for accurate required disclosure to be made on a timely basis.

**Changes in internal controls over financial reporting**

During the period covered by this Quarterly Report on Form 10-Q, there have been no changes in our internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

## PART II – OTHER INFORMATION

### Item 1. Legal Proceedings

There have been no material developments or rulings during the period ended March 31, 2015.

### Item 1A. Risk Factors

There have been no changes to our risk factors as reported in our annual report on Form 10-K for the year ended December 31, 2014.

### Item 2. Unregistered Sales of Equity Securities and Use Of Proceeds

See full disclosure in section entitled "Sale of Unregistered Securities" above, which is incorporated by reference to this Item 2.

### Item 3. Defaults upon Senior Securities

None.

### Item 4. Mine Safety Disclosure

Our exploration properties are subject to regulation by the Federal Mine Safety and Health Administration ("MSHA") under the Federal Mine Safety and Health Act of 1977 (the "Mine Act"). Pursuant to Section 1503(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act (The "Dodd-Frank Act"), issuers that are operators, or that have a subsidiary that is an operator, of a coal or other mine in the United States are required to disclose in their periodic reports filed with the SEC information regarding specified health and safety violations, orders and citations, related assessments and legal actions, and mining-related fatalities. During the quarter ended March 31, 2015, we had no such specified health and safety violations, orders or citations, related assessments or legal actions, mining-related fatalities, or similar events in relation to our United States operations requiring disclosure pursuant to Section 1503(a) of the Dodd-Frank Act.

### Item 5. Other Information

None.

### Item 6. Exhibits

| Exhibit No. | Document |
|---|---|
| 31.1 | Certification of the Chief Executive Officer pursuant to Rule 13a-14 of the Exchange Act |
| 31.2 | Certification of the Chief Financial Officer pursuant to Rule 13a-14 of the Exchange Act |
| 32.1 | Certification of the Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 |
| 32.2 | Certification of the Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 |
| 101.INS | XBRL Instance Document |
| 101.SCH | XBRL Taxonomy Extension Schema Document |
| 101.CAL | XBRL Taxonomy Extension Calculation Linkbase Document |
| 101.DEF | XBRL Taxonomy Extension Definition Linkbase Document |
| 101.LAB | XBRL Taxonomy Extension Label Linkbase Document |
| 101.PRE | XBRL Taxonomy Extension Presentation Linkbase Document |

## SIGNATURES

In accordance with Section 12 of the Securities Exchange Act of 1934, the Registrant has caused this Quarterly Report on Form 10-Q to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: May 20, 2015

GOLDRICH MINING COMPANY

By *[/s/ William Schara]*
William Schara, Chief Executive Officer and President

In accordance with Section 12 of the Securities Exchange Act of 1934, the Registrant has caused Quarterly Report on Form 10-Q to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: May 20, 2015

GOLDRICH MINING COMPANY

By *[/s/ Ted R. Sharp]*
Ted R. Sharp, Chief Financial Officer